



Water Treatment Equipment and Services

According to Chilean Government regulations, all wastewater must be treated by 2006, which translates to an investment estimated at US\$1.4 billion from now until 2010.

Market Overview

- ▶ The Chilean Government has set 2006 as the target date for all wastewater to be treated and subjected to norms that regulate the discharge of industrial wastewater into the sewage systems, lakes, rivers and ocean.
- ▶ From 2000 to 2002, sanitary project investment alone reached US\$760 million. From 2003 to 2010 investment is estimated as an additional US\$1.4 billion to complete projects in wastewater, sewage treatment, domestic water supply and improvement of the sewage system in sanitary companies.
- ▶ The Superintendence of Sanitary Services (SISS) is the primary authority for regulating and supervising the sanitary sector as well as discharges of industrial liquid waste. (See "Other Resources" for contact info).
- ▶ According to the SISS, water-treatment systems used in Chile have evolved from stabilization lagoons in 1998 to aerated lagoons today, in order to increase treatment capacity and efficiency.
- ▶ Due to the privatization of sanitary companies, as well as the Chilean government's effort to regulate the industry, the Chilean market offers excellent opportunities for U.S. suppliers of water-treatment-related equipment and services.
- ▶ Imported equipment accounts for approximately 20% of the total cost of water treatment plants.

Investment in the Sanitary Sector (US\$ Million)

2000 - 2002		2003 - 2010	
2000	394.7	2003	388.8
2001	229.7	2004 - 2005	405.4
2002	135.7	2006 - 2010	555.6
Total	760.1	Total	1,349.8

Source: SISS (Sanitary Services Superintendence)

U.S. Position

- ▶ U.S. technologies for water-treatment plants are well regarded in Chile, despite the fact that European companies dominate the sanitary companies.
- ▶ Some U.S. engineering and/or consultancy companies are either contracted by or associated with Chilean companies for the development of a specific project.
- ▶ U.S. companies have made headway in the supply of specific instruments such as laboratory equipment, water escape detectors and jet trucks.



Competitors

- ▶ European firms dominate the private-sector investment in Chilean sanitary companies, which may result in a preference for European equipment and products if they equal U.S. products on quality and price.
- ▶ Chile's largest sanitary company, Aguas Andinas, is owned by the consortium Inversiones Aguas Metropolitanas, in which the Agbar Group (Spain) and the Suez Group (France) each have a 50% share.
- ▶ Other examples of European presence in Chile are Thames Water (UK) which owns 51% of ESSBIO, ESSEL and Aguas Nuevo Sur and Iberdrola (Spain) which controls 51% of ESSAL.

Principal Sub Sectors

- ▶ Wastewater treatment equipment and products.
- ▶ Consulting and engineering services.
- ▶ Water re-utilization systems for industrial and agricultural use.
- ▶ Drinking water supply systems.

Commercial Opportunities

- ▶ Consulting, design and engineering services for the construction of wastewater treatment plants, which include primary and secondary treatment, bio-solids processing and advanced treatment.
- ▶ Collection and irrigation systems including underground piping systems, open flume irrigation channels, and water reservoirs.
- ▶ Drinking water supply systems for municipalities, industrial and tourism developments.
- ▶ Innovative water re-utilization and recirculation systems for municipal and industrial applications (especially mining in the north of Chile).
- ▶ Pre-treatment technology for wastewater and sludge-processing equipment.
- ▶ Aguas Andinas, Chile's largest sanitary company, will invest approximately US\$ 300 million in the construction of 13 wastewater treatment plants that will serve 600,000 inhabitants of the Metropolitan Region (www.aguasandinas.cl).



Other Resources

- ▶ U.S. Department of Commerce International Trade Specialists: Lana Lennberg: Lana.Lennberg@mail.doc.gov and Erica Chavez: Erica.Chavez@mail.doc.gov
- ▶ SISS (Chilean waterworks regulator): www.siss.cl
- ▶ CONAMA (Environmental National Commission) www.conama.cl

CONTACT US

We hope that you find this information useful. If you would like further information, please contact Isabel.Valenzuela@mail.doc.gov, the CS Santiago Water Treatment Specialist. Visit our website (www.buyusa.gov/chile) to discover other commercial opportunities in Chile.

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